

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 8170**

**BILL NUMBER: SB 597**

**DATE PREPARED:** Jan 20, 1999

**BILL AMENDED:**

**SUBJECT:** High Ability and Honors Students.

**FISCAL ANALYST:** David Hoppmann

**PHONE NUMBER:** 232-9559

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill would require a school corporation to develop and periodically update a local plan and program to provide appropriate educational experiences to high ability students in grades 3 through 12, and would provide a time schedule for implementation of the programs based on specific school years. It would allow a school corporation to establish a program for kindergarten through grade 2.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** The Department of Education would continue to administer the funding of high ability student programs, and would not experience additional administrative cost due to the provisions of this bill.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Under current Indiana law, school corporations are not required to develop a local plan and program for high ability students nor are they required to continue such a program once it has been implemented. However, for the 1998-1999 school year, all 295 school corporations (including University Schools) submitted a local plan to the Department of Education in order to provide appropriate educational experiences to high ability students in kindergarten through grade 12 (an additional 11 school corporations submitted local plans for the 1998-1999 school year, increasing the 1997-1998 school year total of 284 school corporations to 295).

This bill would require that all school corporations develop a local plan and program for high ability students in grades 3 through 12, and would allow school corporations to do so for high ability students in kindergarten through grade 2 (it would require that all 295 school corporations continue their programs once implemented). The effects of this portion of the bill would not likely result in additional costs or administrative time for Indiana's 284 school corporations that submitted plans prior to the 1997-1998 school

year since these school corporations already provide an established program for high ability students in kindergarten through grade 12.

However, the 11 school corporations that submitted new plans for the 1998-1999 school year could experience additional administrative as well as financial costs as a result of running a program for the first time. Under current law, these 11 school corporations could terminate their high ability student programs at any time, thus eliminating any undue financial burdens of running such a program for the first time. This bill would require that these 11 school corporations continue their respective programs, regardless.

Although this bill would not allow these 11 school corporations to completely discontinue their respective programs, it would provide a schedule of implementation by grade and by school year in order to mitigate undue costs of full program implementation. In addition, it would not require school corporations to establish a program for kindergarten through grade 2.

The following table illustrates the schedule of grade 3 to grade 12 implementation:

<b>GRADE</b>	<b>IMPLEMENTATION BY SCHOOL YEAR</b>
Grades 3 through 5	2001-2002
Grades 6 through 8	2003-2004
Grades 9 through 12	2005-2006

For the 1998-1999 school year, these 11 school corporations are expected to receive approximately \$183,200 plus one-time planning grants of \$6,000 (\$66,000) for a total of approximately \$249,000. For the 1998-1999 school year, all school corporations (including the 11 school corporations) are expected to receive approximately \$6.0 M to fund high ability student programs in kindergarten through grade 12.

For FY 1998-1999, \$6,843,970 was appropriated to the Department of Education from the General Assembly to fund high ability student programs (then called gifted and talented programs).

**Explanation of Local Revenues:** See Explanation of Local Expenditures.

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** School Corporations.

**Information Sources:** Patty Garret, Department of Education, 317/232-9106; DOE ORACLE data tables; and State of Indiana List of Appropriations (Biennium July 1, 1997 to June 30, 1999).